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SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

20 August 1952

MEMORANDUM FOR THE BOARD

FROM:

25X1A9a

SUBJECT: Revision of NIE-61

- 1. The attached draft of NIE-61 is presented in an effort to get this maligned paper off the books. With the few exceptions noted below, I am confident it will be acceptable to OIR. In working level discussions, they have been persuaded to move a considerable way from their original position.
- 2. I personally believe that more would be gained by accepting OTR's moderately immocuous political section than by continuing the battle and risking a dissent on a paper not worthy of becoming a bone of contention.
- 3. I also believe that Section IIB as now drafted is actually an improvement on the previous draft. It is admittedly an extremely speculative subject and the present draft comes closer to a middle course than the fairly extreme positions taken in O/NE's original draft and OIR's suggested redraft.
- 4. All Pentagon suggestions have been incorporated in the attached draft and I anticipate little trouble from that quarter.
- 5. I trust the following notations will simplify rather than obstruct your understanding of the changes that have been made. The armotations in the attached text refer to the similarly numbered paragraphs below.



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- 1. OTR will almost certainly buy conclusion 1.
- 2. Minor O/NE-initiated change.
- 3. Minor changes suggested by A-2.
- 4. Eliminated reference to "economic liability" as concession to OIR. Added last sentence.
- 5. See comments on Section IIB.
- 6. OTR would like but will not insist on inclusion of following sentence: "With the acquisition of South, and much of Southeast Asia, Communism would have gained control over more than half the world's population." Staff considers it gilds the lily. Same conclusion could be reached without inclusion of the imprecise number of persons in "much of" SEA.
- 7. OTR would like and will fight hard for insertion of following paragraph: "The loss of South Asia would be all the more grievous as it would involve countries whose present regimes are actively anti-Communist and whose ties and basic sympathies are primarily with the West. Although the independent policies pursued by these countries have sometimes caused embarrassment to the West, the measure of support and cooperation which the West has received from them far more than compensates for such embarrassment." Staff has several objections. It finds unconvincing OIR's contention that the anti-Communist nature of India's domestic policy has a bearing on the consequences to the West of India's going Communist. The paragraph as written does not make CIR's point that it is useful to tell policy makers that India's attitude towards Communist China is "not incompetible" with anti-Communism. The Staff is reluctant in this estimate to get into the question of the prospects of India's being able to woo Communist China from the USSR. Finally, it would be difficult to prove that India's "basic sympathies are primarily with the West."

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- 8. Minor changes suggested by G-2 to give impression that action by the West as well as by the Communists could result in drying up of trade.
- 9. A-2 and G-2 questioned earlier version on ground that it was difficult to say exactly how many substitute materials could be found only in dollar areas.
- 10. The O/NE draft was used as a basis for redrafting this section. Staff believes that it now represents a reasonable compromise between the original O/NE view that the Communists could do little with the subcontinent and the OIR suggested redraft which gave a Communist subcontinent great economic potentialities.